

Filed for intro on 02/15/2001
SENATE BILL 1547 By
Kyle

HOUSE BILL 1512
By Sargent

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 25, relative to petroleum products.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-25-623, is amended by deleting the section in its entirety and by substituting instead the following:

(a)

(1) It is unlawful for any refiner, distributor, or producer of petroleum products engaged in business in this state, either directly or indirectly, to discriminate in prices between purchasers for petroleum products of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, where such petroleum products are sold for use, consumption, or resale within the state of Tennessee, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such

discrimination, or with customers of either of them; provided, that nothing in this section shall prevent:

(A) Differentials which make only due allowances for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such petroleum products are to such purchasers sold or delivered;

(B) Dealers engaged in selling petroleum products in commerce within the state of Tennessee from selecting their own customers in bona fide transactions and not in restraint of trade;

(C) Price changes from time to time where in response to changing conditions affecting the market for or the marketability of the petroleum products concerned, including, but not limited to, distress sales under court process, or sales in good faith in discontinuance of businesses in the goods concerned; and

(D) A franchisor, distributor, or producer of petroleum products from lowering its price for petroleum products to any purchaser or purchasers when such lower price was made in good faith to meet an equally low price of a competitor.

(2) It is unlawful for any refiner, distributor, or producer of petroleum products to refuse to make available, upon written request of any dealer who has a franchise agreement with the refiner, distributor, or producer, a schedule of dealer tank wagon prices then charged dealers of the refiner, distributor, or producer for motor gasoline sold within the state of Tennessee.

(3) A violation of this subsection is a Class A misdemeanor punishable by fine only, to be assessed in an amount not to exceed five thousand dollars (\$5,000).

(b) Nothing in this section shall apply to the purchase of petroleum products for their own use by state and local agencies.

SECTION 2. The provisions of this act are declared to be remedial in nature and the provisions of this act shall be liberally construed to effectuate its purposes.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect July 1, 2001, the public welfare requiring it.